- State Governments would be required to follow a transparent procedure for awarding potential sites to-the private sector.
- In order to enable the project developer to recover the costs incurred by him in obtaining the projects site, merchant sale of up to a maximum of 40% of the saleable energy has been allowed. Projects that do not conform to the prescribed time lines would, however, lose this incentive of merchant sales in agraded manner.
- An additional 1 % free power over and above 12% will be earmarked for a Local Area Development Fund aimed at providing a regular stream of revenue for income generation, infrastructure creation and welfare schemes in the affected areas.
- Each project affected family (PAF) will get 100 units of electricity every month for a period of 10 years free of charge.

(c) The power generation from hydro projects depend on the rainfall in the catchment area, amount of snowmelt, carryover storage in the reservoirs and availability of machines. During 2006-07, Hydro Power Generation was 1,13,358.77 MU against a target of 1,01,000 MU. During 11th Plan hydro capacity of 16,553 MW is proposed to be added and it is expected that by the end of 11th Plan, the total installed hydro capacity in the country would be about 51,207 **MW.**

Grants-in-Aid for Hydro Electric Projects

1024. SHRI JANARDHANA POOJARY: Will the Minister of POWER be pleased to state:

(a) whether grants-in-aid is released to State Governments for augmenting hydroelectric power and strengthening distribution lines;

(b) whether only limited hydro-electric power is generated from Mahatma Gandhi Hydro Electric Station in Jog area in Karnataka, owing to weak transmission lines;

(c) whether this is leading to acute power shortage in Dakshin Kannada and Uduppi districts of Karnataka;

(d) whether the agency, assigned the job of strengthening the distribution lines, is unable to deliver;

(e) whether, as a result, time and cost overruns in strengthening the power distributions lines in the Jog area, are being incurred; and

(f) if so, the details thereof and Centre's response thereto?

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE): (a) to (f) The requisite information is being collected from the State Government of Karnataka. The information will be laid on the Table of the House on its receipt.

Assistance under RGGVY to karnataka

1025. SHRI RAJEEV CHANDRASEKHAR: SHRI JANARDHANA POOJARY:

Will the Minister of POWER be pleased to state:

(a) whether Central Government has approved and sanctioned assistance to the Karnataka Government for providing benefit under RGGVY to the rural and BPL householders in 17 districts of the State;

(b) whether the State has requested for additional grant, owing to revised budget estimates;

(c) if so, by when necessary sanction of the Central Government is likely to be accorded and funds therefor released to the State Government;

(d) whether the State has requested for release of 1 st instalment of the approved grant for electrification in nine districts of the State; and

(e) if so, the details thereof and Government response thereto?

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE): (a) The Monitoring Committee on RGG VY has accorded approval for 17 projects covering release of 631828 BPL connections with an outlay of Rs.37539.07 lakh for execution during 10th Plan period. Subsequently, six projects involving an outlay of Rs.l 7909.80 lakh for release of 206368 BPL connections have been approved for execution during Phase-I of 11th Plan period. Project-wise details are given in the enclosed Statment-I (See below).

(b) Yes, Sir. Karnataka Govt, submitted revised cost estimates of 17 sanctioned projects for execution during 10th Plan, of which the Monitoring Committee on RGGVY has accorded its approval for 10 projects and the balance 07 are yet to be approved. Project-wise details are given in the enclosed Statement-II (See below).

(c) Funds under RGGVY are released in instalments commensurate with the progress reported by the implementing States/agencies, fulfillment of the pre-requisites as also availability of funds. Karnataka State has availed an amount of Rs.256.36 crore under 17 RGGVY projects sanctioned for execution during 10th Plan, upto 25th February, 2008 as per the details given below:

	Year	Amount released (Rs. in crore)
	2005-06	72.59
	2006-07	87.36
	2007-08	96.41
-	TOTAL:	256.36

(d) and (e) Of the nine district based projects, the Monitoring Committee on RGGVY has accorded approval for execution of six projects during Phase-I of the 11th Plan period and the balance three project are to be considered during Phase-II of the 11th Plan period, the details are given in enclosed Statement-I (See below).

The first instalment against the sanctioned six projects for execution during Phase-I of the 11 th Plan shall be released on completion of pre-requisites in terms of RGGVY guidelines/, sanction letter.